

NEWS RELEASE



For Release: Thursday, November 20, 2014 14-2132-SAN

WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 • BLSinfoSF@bls.gov • www.bls.gov/regions/west/

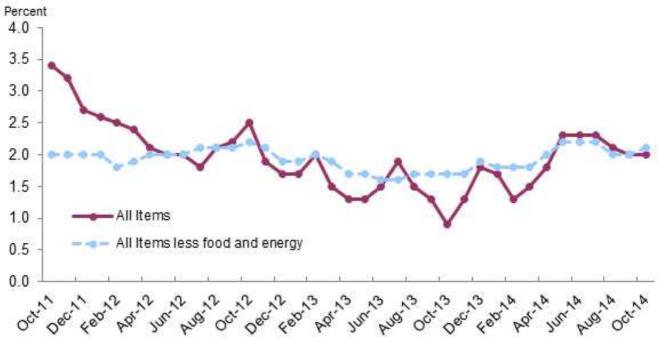
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Consumer Price Index, West Region — October 2014 Prices in the West down 0.1 percent over the month, up 2.0 percent from a year ago

Prices in the West Region, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), inched down 0.1 percent in October, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) The October decrease was influenced by lower prices for gasoline. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 2.0 percent. (See <u>chart 1</u>.) Energy prices decreased 1.5 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy rose 2.1 percent since October 2013.

Chart 1. Over-the-year percent change in CPI-U, West Region, October 2011-October 2014



Source: U.S. Bureau of Labor Statistics.

Food

Food prices advanced 0.4 percent for the month of October. (See <u>table 1</u>.) Prices for food at home rose 0.5 percent while prices for food away from home were virtually unchanged (0.1 percent) for the same period.

Over the year, food prices rose 3.5 percent. Prices for food at home rose 4.1 percent since a year ago, and prices for food away from home increased 2.6 percent.

Energy

The energy index declined 4.7 percent over the month. The decrease was mainly due to lower prices for gasoline (-7.3 percent). Prices for natural gas service declined 2.0 percent and prices for electricity decreased 0.8 percent in October.

Energy prices decreased 1.5 percent over the year, largely due to lower prices for gasoline (-4.8 percent). Prices paid for natural gas service climbed 10.8 percent, and prices for electricity increased 1.1 percent during the past year.

All items less food and energy

The index for all items less food and energy advanced 0.3 percent in October. Higher prices for expenditure categories such as household furnishings and operations (1.3 percent), new vehicles (0.9 percent), apparel (0.5 percent), and shelter (0.3 percent) were partially offset by lower prices for used cars and trucks (-2.2 percent) and education and communication (-0.4 percent).

Over the year, the index for all items less food and energy rose 2.1 percent. Components contributing to the increase included shelter (3.6 percent) and medical care (2.2 percent). Partly offsetting the increases were price declines in used cars and trucks (-2.1 percent) and household furnishings and operations (-0.3 percent).

Table A. West Region CPI-U monthly and annual percent changes (not seasonally adjusted)

	2009		2010		2011		2012		2013		2014	
Month	Monthly	Annual										
January	0.6	0.1	0.3	1.9	0.5	1.4	0.4	2.6	0.3	1.7	0.3	1.7
February	0.5	0.3	0.1	1.4	0.6	1.9	0.4	2.5	0.8	2.0	0.4	1.3
March	0.1	-0.5	0.3	1.6	0.9	2.6	0.9	2.4	0.4	1.5	0.6	1.5
April	0.3	-0.7	0.2	1.5	0.6	3.0	0.2	2.1	0.0	1.3	0.3	1.8
May	0.3	-1.1	0.1	1.3	0.3	3.2	0.2	2.0	0.2	1.3	0.6	2.3
June	0.6	-1.4	-0.1	0.6	-0.2	3.1	-0.2	2.0	0.1	1.5	0.1	2.3
July	-0.2	-2.0	0.1	0.8	-0.1	2.9	-0.3	1.8	0.0	1.9	0.1	2.3
August	0.2	-1.3	0.1	0.7	0.2	3.0	0.5	2.1	0.1	1.5	-0.1	2.1
September	0.2	-0.8	-0.1	0.5	0.4	3.5	0.5	2.2	0.2	1.3	0.1	2.0
October	0.1	-0.3	0.1	0.6	0.0	3.4	0.4	2.5	-0.1	0.9	-0.1	2.0
November	-0.3	1.2	0.0	0.9	-0.2	3.2	-0.7	1.9	-0.4	1.3		
December	-0.2	2.2	0.2	1.3	-0.3	2.7	-0.5	1.7	0.0	1.8		

CPI-W

In October, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 235.343, down 0.3 percent from September. The CPI-W increased 1.8 percent over the year.

The November 2014 Consumer Price Index for the West Region is scheduled to be released on December 17, 2014, at 10:00 a.m. (PST).

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17 a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The West Region covered in this release is comprised of the following thirteen states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsWest (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014	
Expenditure category							
All Items	241.660	241.920	241.650	2.0	0.0	-0.1	
All items (December 1977=100)	390.630	391.050	390.614				
Food and beverages	246.396	246.725	247.548	3.3	0.5	0.3	
Food	246.437	246.789	247.685	3.5	0.5	0.4	
Food at home	247.189	247.510	248.815	4.1	0.7	0.5	
Food away from home	244.165	244.558	244.875	2.6	0.3	0.1	
Alcoholic beverages	242.485	242.517	242.407	1.4	0.0	0.0	
Housing	247.359	248.005	248.766	3.2	0.6	0.3	
Shelter	277.648	278.524	279.364	3.6	0.6	0.3	
Rent of primary residence (1)	290.083	291.184	292.639	4.1	0.9	0.5	
Owners' equiv. rent of residences (1) (2)	290.940	291.985	293.171	3.3	0.8	0.4	
Owners' equiv. rent of primary residence (1) (2)	290.938	291.979	293.163	3.3	0.8	0.4	
Fuels and utilities	279.676	280.414	278.793	3.8	-0.3	-0.6	
Household energy	249.454	250.309	247.639	3.4	-0.7	-1.1	
Energy services (1)	251.295	252.024	249.286	3.4	-0.8	-1.1	
Electricity (1)	274.835	273.175	271.059	1.1	-1.4	-0.8	
Utility (piped) gas service (1)	211.058	217.545	213.146	10.8	1.0	-2.0	
Household furnishings and operations	127.836	127.616	129.292	-0.3	1.1	1.3	
Apparel	119.706	123.108	123.770	1.0	3.4	0.5	
Transportation	218.606	216.202	212.341	-1.3	-2.9	-1.8	
Private transportation	213.479	210.883	206.135	-1.4	-3.4	-2.3	
New and used motor vehicles (3)	101.267	100.706	100.634	-0.8	-0.6	-0.1	
New vehicles	143.985	144.067	145.305	0.6	0.9	0.9	
New cars and trucks (3) (4)	100.080	100.138	100.977	0.6	0.9	0.8	
New cars ⁽⁴⁾	144.653	144.745	145.862	0.3	0.8	0.8	
Used cars and trucks	149.067	146.904	143.669	-2.1	-3.6	-2.2	
Motor fuel	310.314	301.502	279.670	-4.7	-9.9	-7.2	
Gasoline (all types)	309.000	300.027	278.053	-4.8	-10.0	-7.3	
Gasoline, unleaded regular (4)	308.215	299.153	276.842	-4.9	-10.2	-7.5	
Gasoline, unleaded midgrade (4) (5)	289.695	281.633	261.764	-4.5	-9.6	-7.1	
Gasoline, unleaded premium (4)	292.707	284.500	265.285	-4.5	-9.4	-6.8	
Medical Care	440.232	442.039	441.619	2.2	0.3	-0.1	
Medical care commodities	330.029	333.431	332.323	1.8	0.7	-0.3	
Medical care services	475.563	476.690	476.557	2.3	0.2	0.0	
Professional services	332.238	332.163	331.887	1.9	-0.1	-0.1	
Recreation (3)	110.146	110.199	110.306	0.8	0.1	0.1	
Education and communication (3)	138.755	139.189	138.608	0.4	-0.1	-0.4	

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsWest (1982-84=100 unless otherwise noted) - Continued

	Indexes			Percent change from-			
Item and Group	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014	
Other goods and services	399.953	400.006	399.301	1.8	-0.2	-0.2	
Commodity and Service Group							
All Items	241.660	241.920	241.650	2.0	0.0	-0.1	
Commodities	185.559	185.335	184.075	0.5	-0.8	-0.7	
Commodities less food & beverages	154.049	153.606	151.530	-1.4	-1.6	-1.4	
Nondurables less food & beverages	201.368	200.939	196.375	-1.2	-2.5	-2.3	
Nondurables less food, beverages, and apparel	258.520	255.547	247.451	-1.9	-4.3	-3.2	
Durables	110.446	109.991	110.173	-1.5	-0.2	0.2	
Services	293.037	293.760	294.449	2.9	0.5	0.2	
Rent of shelter (2)	295.354	296.288	297.187	3.5	0.6	0.3	
Transportation services	276.086	275.671	279.748	1.4	1.3	1.5	
Other services	333.879	334.765	333.922	1.4	0.0	-0.3	
Special aggregate indexes:							
All items less medical care	232.496	232.693	232.431	1.9	0.0	-0.1	
All items less food	241.101	241.346	240.891	1.7	-0.1	-0.2	
All items less shelter	228.500	228.499	227.755	1.2	-0.3	-0.3	
Commodities less food	157.570	157.138	155.107	-1.3	-1.6	-1.3	
Nondurables	224.871	224.793	222.706	1.1	-1.0	-0.9	
Nondurables less food	204.859	204.456	200.136	-1.0	-2.3	-2.1	
Nondurables less food and apparel	256.583	253.904	246.587	-1.6	-3.9	-2.9	
Services less rent of shelter (2)	323.395	323.926	324.417	2.1	0.3	0.2	
Services less medical care services	280.341	281.036	281.767	2.9	0.5	0.3	
Energy	285.855	281.340	267.981	-1.5	-6.3	-4.7	
All items less energy	240.270	240.894	241.613	2.3	0.6	0.3	
All items less food and energy	239.946	240.619	241.310	2.1	0.6	0.3	
Commodities less food and energy commodities	140.401	140.953	141.275	-0.3	0.6	0.2	
Energy commodities	314.455	305.804	284.045	-4.6	-9.7	-7.1	
Services less energy services	296.432	297.157	298.066	2.9	0.6	0.3	

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

⁽²⁾ Index is on a December 1982=100 base.

⁽³⁾ Indexes on a December 1997=100 base.

⁽⁴⁾ Special index based on a substantially smaller sample.

⁽⁵⁾ Indexes on a December 1993=100 base.